# MIDDLE EAST AND SOUTH ASIA REVIEW

27 JANUARY 1983

## Lebanon

Subcommittees Meet -- The Lebanese-Israeli-U.S. subcommittees began meeting in Qiryat Shemona to discuss security arrangements, foreign troop withdrawals, bilateral relations, and guarantees, Beirut radio reported. Lebanon is expected to submit new ideas to the Israelis, according to another Beirut radio report.

Sharon on Early Warning Stations -- Israeli Defense Minister Ari'el Sharon stated that the early warning stations which Israel is seeking in Lebanon would not be used to gather information on the Arab states and would require fewer than 700 soldiers, Jerusalem radio reported citing a Sharon speech. The defense minister referred to the stations as "antiterror supervision stations" whose purpose is "to prevent" the return of terrorists to Lebanon, adding that Israel will need the stations only until Lebanon has rebuilt its security forces. In remarks to the Knesset Foreign Affairs and Defense Committee, Sharon said the United States is seeking maximum reduction of Israel's war gains and that it has been pressuring Beirut not to advance too rapidly in the negotiations, according to the radio. Meanwhile, Prime Minister Menahem Begin said Israel is not interested in a confrontation with the United States and wants to resolve differences of opinion through dialogue, the radio noted. According to the radio, Israel is waiting for Habib's consultations in Washington to end and it is hoped that they will "rescue" the Israeli-Lebanese negotiations from the current deadlock.

Military, Security Situation -- The meeting between the commander of the IDF Northern Command and officers of the U.S. force in Lebanon scheduled for 26 January to discuss the disputes between the IDF and U.S. Marines over the border line between the forces in Lebanon was postponed for "technical" reasons, according to IDF Radio. Meanwhile, Israel has begun the installation of an early warning station overlooking the An-Naqurah border area, Idhin Radio of Free and Unified Lebanon reported citing "arrivals from the south."

## PLO

After PLO Executive Committee meetings in Aden on 25 and 26 January, a PLO spokesman announced that the PLO leadership has agreed on the outlines of the draft political program to be submitted to the forthcoming PNC meeting in Algiers, Radio Monte Carlo reported. The PLO leadership also stressed the need to hold a new Palestinian-Jordanian meeting, the spokesman added.

Earlier, PLO Executive Committee Chairman Yasir 'Arafat said after a PLO military parade in Aden that reports of Palestinian disunity are false. In his speech, which was broadcast live by Aden radio, 'Arafat denied rumors of a dispute between the PLO and Syria and asserted that Palestinian-Syrian relations are unshakable. He said critics of Soviet arms should "keep their mouths shut," pointing out that the PLO had fought with Soviet arms in Beirut. Reaffirming PLO support for liberation movements worldwide, 'Arafat said the PLO forces in Yemen are a "special rapid deployment force" for every revolution that seek PLO assistance.

The radio also provided live coverage of 'Ali Nasir Muhammad's speech at the parade. The PDRY leader described the Reagan plan as "no less dangerous than the Camp David plot" and claimed that imperialist and Zionist forces are continuing to conspire against Syria, Libya, Algeria, and the PDRY.

Baghdad Voice of PLO radio said all members of the PLO Executive Committee and Fatah's Central Committee had arrived in Aden or were expected to arrive there on 26 January. The radio did not say whether other Palestinian leaders such as George Habash and Nayif Hawatimah would attend.

## Morocco

King Hassan II Interview -- King Hassan II has addressed an "official" invitation to host any conference or debate that would lead to a meeting between the Israelis and the PLO, according to a Rabat radio broadcast of the king's interview with French journalists. The king also stated that he has decided to ask France to build nuclear stations in Morocco, particularly on the green coastal belt, to provide electricity.

Death of Southern Area Commander -- The director of the office of the king's aide de camp and commander of the Royal Armed Forces in the southern area, General Ahmed Dlimi, died in a car accident, Rabat radio announced citing a statement by the Ministry of the Royal Household, Protocol, and Chancellory. The statement termed the general's death a great loss to Morocco and to the Royal Armed Forces.

## Egypt

President Husni Mubarak arrived in Washington and met with Secretary of State Shultz, MENA reported. Mubarak stopped over in Paris for talks with the French external relations minister during his flight to the United States, Cairo radio noted.

## Iran

Communists Executed; Criticism of USSR -- In Amol 22 members of the Union of Iranian Communists were executed for perpetrating "frightful crimes" in the area last year during which nearly 100 "hezbollahi" were killed, Tehran radio reported. The trial of this particular communist faction is not just a trial of any one person or group, but a trial of the entire process of Marxism, blasphemy, and atheism in Iran, the radio stressed in a related commentary. All of Iran's communists, even those calling themselves followers of the imam's line, have supported the activities of "counter-revolutionaries," the radio contended.

Meanwhile, an AZEDEGAN editorial reported by IRNA criticized Soviet Middle East policy for its "doubledealing," pointing out that while Soviet propaganda portrays Marxism as partial toward Islam, the Soviet Union has rushed arms to Iraq and sent troops to Afghanistan.

PRC Delegation -- A PRC delegation headed by adviser to the foreign minister He Ying arrived in Tehran for talks on the expansion of PRC-Iranian relations, IRNA reported.

DAILY REPORT

*South Asia*

*Vol VIII No 019* *27 January 1983*

MIDDLE EAST AND SOUTH ASIA REVIEW i

AFGHANISTAN

'Messenger' Reports on Kidnapped Soviet Advisers C 1

INDIA

Gandhi Asks Tripathi To 'Look After' Party Work E 1
AFP Account E 1
Akali Dal Instructs MP's To Resign as of 21 Feb E 1
Official Leaves for Border Talks With China E 1

PAKISTAN

Reportage on Talks With UN Representative F 1
Meeting With Yaqub Khan F 1
Cordovez-Zia Exchange F 1
26 January Session F 1
Cordovez Departure for Kabul F 1

IRAN

Gharazi Comments on Results of OPEC Meeting I 1
Additional Report I 1
Daily Hits Soviet Stand on Muslims, Afghanistan I 2
Speaker Cites Need for Islamic Information Body I 2
Delegations To Travel to Third World Countries I 3
PRC Foreign Ministry Adviser Arrives for Talks I 3
Armed Forces Joint Staff Communique No 1,195 I 3
Prime Minister Reports on State of Economy I 4
90 'Hypocrite' Members Arrested in Esfahan I 9

'MESSENGER' REPORTS ON KIDNAPPED SOVIET ADVISERS

BK261211 Hong Kong AFP in English 1153 GMT 26 Jan 83

[Text] Islamabad, Jan. 26 (AFP) -- One of sixteen Russians being held by Afghan rebels in a mountainous region southeast of Mazar-e Sharif pledged that the group would kill President Babrak Karmal if released, according to a rebel messenger from the region.

The messenger, from a fundamentalist faction of the Harakat-e Enqelabi Eslami Party, said yesterday that all 16 captives, including three women, were safe when he was last in the region two weeks ago.

But one Russian who was wounded when the rebels captured the group January 5 in Mazar-e Sharif was shot to death because he could not walk fast enough, he said.

The messenger's claim that the Harakat-e Enqelabe Eslami Party was responsible for the capture was disputed today by a spokesman for the Jami'at Eslami Party, who said members of that party abducted the Soviets.

He said the party leader, Burhanuddin Rabbani, had ordered that all captives be kept safe and moved progressively toward Pakistan. He did not say whether the group might give up the captives to the International Red Cross, as has been done with eight Soviet soldiers now in Switzerland.

The Harakat-e Enqelabe Eslami messenger said the group had originally wanted to ambush a Soviet armored vehicle in Mazar-e Sharif, which is only 50 kms (30 miles) south of the Soviet border.

But the van came first, and after a short gun battle the rebels took its occupants hostage. The Russian victim was wounded during the exchange of gunfire, and fatally shot as the group sought to walk to a mountain hideout four hours away from Mazar-e Sharif.

After the group arrived at a hiding place, one of the remaining 16 hostages, who spoke some Dari (a form of Persian), said: "If you kill us, it is not important. But if you release us, we will shoot down Babrak Karmal."

The day after the hostage-taking, the messenger said, authorities in Mazar-e Sharif forced all residents out of their homes for a general search. The day after that, General Yasin Sadeqi, a political official in the Afghan Army, arrived to issue an appeal among residents for cooperation.

Then three days after the abduction, a search team went to meet with the leader of the Harakat-e Enqelabe Eslami, Qari Nehman, the messenger said. They returned empty-handed.

The next day hundreds of Afghan soldiers launched a military operation, and surrounded the Harakat-e Enqelabe Eslami headquarters at Char Kent, southeast of Mazar-e Sharif. The attack failed because of a snowstorm, the messenger said.

GANDHI ASKS TRIPATHI TO 'LOOK AFTER' PARTY WORK

BK261254 Delhi Domestic Service in English 1230 GMT 26 Jan 83

[Text] Congress-I President Mrs Gandhi has requested Kamalapati Tripathi to look after the party work on her behalf. This was disclosed by All India Congress Committee-I General Secretary Moopanar in New Delhi today.

AFP Account

NC262010 Paris AFP in English 2000 GMT 26 Jan 83

[Excerpts] New Delhi, Jan 26 (AFP) -- In a quiet but significant move, Prime Minister Indira Gandhi, who is chairman of the ruling Congress (I) Party, today asked a senior party colleague to look after the day-to-day running of the party organisation.

Observers saw Mrs. Gandhi's decision as a sign of an impending organisational reshuffle in the party, prompted by its disappointing performance in the recent state elections in the south.

In a brief announcement here, G. K. Moopanar, one of the national secretaries of the ruling party, said his party chief had asked Kamalapati Tripathi, 80, to look after the All-India Congress Committee (AICC) work on her behalf. The announcement closely followed a statement here yesterday by Minister of State for Shipping and Transport Sita Ram Kesri that he had resigned to devote himself exclusively to party work.

The press has been speculating that the Congress Party was heading for a thorough revamping and an anti-corruption drive after its electoral defeat.

AKALI DAL INSTRUCTS MP'S TO RESIGN AS OF 21 FEB

BK270253 Delhi Domestic Service in Hindi 0235 GMT 27 Jan 83

[Text] The Akali Dal high command has decided to instruct the party's parliament and legislative assembly members to submit their resignations in New Delhi and Chandigarh as of 21 February. All India Radio's Jullender correspondent reports from Amritsar that this decision was made last night at a meeting attended by the party's parliament and legislative assembly members and senior leaders.

Talking to newsmen after a 4-hour meeting of the party high command, Party President Sant Harchand Singh Longowal said that in view of the opposition leaders' appeal for more time for talks, the resignation letters will be dated 21 February. The party has four members in parliament and 37 members in the Punjab legislative assembly. Sant Longowal said that the party is satisfied with the report submitted by its representatives at the recent talks in New Delhi. Sant Longowal has directed the Akalis residing in Delhi to boycott municipal corporation and metropolitan council elections scheduled for 5 February.

Three locally assembled bombs exploded in different parts of Amritsar yesterday. An official spokesman said in Chandigarh that no loss of life or property has been reported. Police patrolling the city has been intensified.

OFFICIAL LEAVES FOR BORDER TALKS WITH CHINA

BK270321 Delhi Domestic Service in English 0240 GMT 27 Jan 83

[Text] The secretary in the Ministry of External Affairs, K.S. Bajpai, left for Beijing yesterday for the third round of official talks with China on the border issue.

REPORTAGE ON TALKS WITH UN REPRESENTATIVE

Meeting With Yaqub Khan

BK251545 Karachi Domestic Service in Urdu 1500 GMT 25 Jan 83

[Text] Talks between the UN secretary general's personal representative of Afghanistan, Diego Cordovez, and Pakistani Foreign Minister Sahabzada Yaqub Khan continued in the Foreign Office in Islamabad today. The secretary for provincial and border area affairs and commissioner for the Afghan refugees also apprised Cordovez of various aspects of the Afghan refugee problem and details of the administrative machinery set up to look after Afghan refugee affairs. The talks will continue tomorrow.

Cordovez-Zia Exchange

BK251719 Karachi Domestic Service in English 1700 GMT 25 Jan 83

[Excerpt] The UN secretary general's personal representative on Afghanistan, Diego Cordovez, called on President General Mohammad Ziaul Haq in Rawalpindi this evening. He exchanged views with the president on the efforts being made to find a political solution to the Afghanistan problem. Finance Minister Ghulam Ishaq Khan, Foreign Minister Sahabzada Yaqub Khan, and the foreign secretary were among those present during the meeting.

26 January Session

BK261534 Karachi Domestic Service in Urdu 1500 GMT 26 Jan 83

[Text] Another round of talks between the UN secretary general's personal representative, Diego Cordovez, and Foreign Minister Sahabzada Yaqub Khan was held in Islamabad today. The talks, which were held in a very cordial atmosphere, were useful exchanges of views. Cordovez is expected to leave for Kabul tomorrow on the third leg of his present efforts. He is expected to have 3 days of discussions in Kabul and later will come back to Islamabad.

Cordovez Departure for Kabul

BK270825 Karachi Overseas Service in Urdu 0800 GMT 27 Jan 83

[Text] Diego Cordovez, the UN secretary general's personal representative on Afghanistan, has said that he had held positive and useful talks with President General Mohammad Ziaul Haq and Foreign Minister Sahabzada Yaqub Khan on a comprehensive settlement of the Afghan issue. He was talking to newsmen at Islamabad Airport before leaving for Kabul to continue efforts in this connection. Cordovez said the Pakistani Government reiterated that it wants to resolve this issue through negotiations. He said the United Nations will continue to endeavor; nothing will be left unexplored in connection with the Afghan people's peaceful determination of their future.

GHARAZI COMMENTS ON RESULTS OF OPEC MEETING

GF261658 Tehran IRNA in English 1553 GMT 26 Jan 83

[Text] Tehran, Jan. 26, IRNA -- The Iranian oil minister, Mohammad Gharazi, speaking in a press conference here today, said one of the main achievements of the recently concluded OPEC meeting in Geneva, was that Saudi Arabia agreed to reduce its production quota to 4.5 million barrels per day.

Gharazi who returned from an emergency meeting of OPEC in Geneva, Tuesday night, said that prior to the Geneva meeting several (separate) meetings were held with a number of OPEC members. He also said this resulted in the holding of the Geneva meeting. Libya's and Nigeria's oil officials' visits to Iran was in reference to OPEC's dilemma, he added. The Iranian oil officials in their meeting with their Nigerian and Libyan counterparts, made it clear that Iran would take part in the Geneva meeting only if Saudi Arabia was willing to lower its production quota to 4.5 million barrels per day, he further told reporters.

In the opinion of the Islamic Republic of Iran, if Saudi oil officials did not decrease their oil output, international oil market would be affected and at the same time the ceiling price of 34 dollars per barrel would no longer hold, Gharazi said.

Commenting on role of Saudi oil officials in the meeting, the oil minister said that they implicitly agreed to reduce their oil output to 4.5 million barrels a day. However, when the subject of price stabilisation was brought up, the Saudi and Kuwaiti delegations disrupted the session. This showed that the Saudi oil officials had already decided to lower oil prices.

The Saudi measure divided OPEC members. Kuwait, Qatar, and United Arab Emirates sided with Saudi Arabia and the rest opposed it, the oil minister said. One of the interesting points was that those countries who used to support the Saudi stance in OPEC, took an adverse position. The outcome of the Geneva meeting was, he added, that OPEC members would no longer allow Saudi Arabia to dominate OPEC.

In conclusion Gharazi said that OPEC members would hold other meetings prior to the upcoming OPEC conference.

Additional Report

LD261833 Tehran Domestic Service in Persian 1630 GMT 26 Jan 83

[Excerpts] At a news conference today, Iranian Petroleum Minister Gharazi discussed the OPEC emergency meeting in Geneva.

The oil minister said: Since a unanimous decision was not reached during this session on the OPEC production ceiling and each member's quota, the decision reached in the previous OPEC meeting, in which the production ceiling was fixed at 18.5 million barrels, must remain valid. Regarding the oil price, all OPEC members must defend the benchmark price of $34.

Gharazi held Saudi Arabia responsible for not making a decision on fixing quotas for OPEC production: This is a weak point and will result in difficulties.

Regarding the fixing of a quota of 4.5 million barrels for Saudi Arabia's oil production, the oil minister said: All the efforts by Saudi Arabia are aimed at creating an uncertain oil market because it wants to produce 7-8 million barrels of oil.

This country, together with several of its allies in the Persian Gulf, may have thought that a disrupted oil market would be in their interest but the Islamic Republic of Iran views this as irresponsible thinking.

The oil minister said: Saudi Arabia and the other Persian Gulf Cooperation Council member states have held three sessions in the last 1 and 1/2 months in Oman, Kuwait, and Bahrain; they asked the OPEC secretary general to convene a consultative session. He added: After this conference and at the Geneva conference, Iran announced that the solution to OPEC problems is to fix Saudi Arabia's daily production at 4 to 4.5 million barrels, to fix the OPEC's overall production at 17 million barrels, to support the benchmark price of $34. Under these conditions, Iran will agree to review its oil production quota.

In conclusion, our country's oil minister commented on OPEC's future: OPEC will preserve its cohesion and will rid itself of revolving around a single axis and, in the future, will act with more coordination as a family whose members cooperate with each other.

DAILY HITS SOVIET STAND ON MUSLIMS, AFGHANISTAN

LD262031 Tehran IRNA in English 1936 GMT 26 Jan 83

["Soviets Double Dealing and Blundering Policy Towards Muslims" -- IRNA headline]

[Text] Tehran, Jan. 26, IRNA -- In an editorial today, the Persian daily AZADEGAN has criticised the Soviets and the Soviet news agency NOVOSTI for voicing an apparent Soviet support for Muslims on the one hand and invading Afghanistan and killing Afghan Muslims on the other.

The commentary condemned the Soviet policy for its double dealing in relation with the Mid-East issues and for exploiting the situation in a publicity propaganda, and ironically with the idea of projecting the Marxists as being partial to Islam. The commentary quoted parts of a NOVOSTI commentary this week which touched on the plight of the Muslims in the Middle East and which projected the United States as having been singly responsible for the Middle East conflict. It also noted that despite what the Soviets are preaching in their media, they have been rushing arms to Iraq and elsewhere sending troops to Afghanistan while apparently voicing a support for Muslims, said the editorial in response to the NOVOSTI news agency of the soviet Union.

"We would only urge the writers of such commentaries to busy themselves with some other pass-time in the future and stop writing such commentaries. "They would be much better advised not to show concern about Islam or Muslims in the future. Why? Because Muslims do not listen to rhetorics, as much as they note the people's deeds, especially if they be such as done during the military occupation of Afghanistan. "The silence of such commentators in the height of the invasion of Iran by the Ba'thist regime of Iraq still lives in the memory of the revolutionary Muslims of Iran."

SPEAKER CITES NEED FOR ISLAMIC INFORMATION BODY

LD262056 Tehran IRNA in English 1956 GMT 26 Jan 83

[Text] Tehran, Jan. 26 IRNA -- Majlis Speaker Hojjat ol-Eslam Hashemi-Rafsanjani stressed the need for formation of an Islamic information organisation in the Islamic Republic. He also pointed out that in the early days of Islam great significance was attached to dispensing information. He said that because the Islamic Republic did not feel the necessity of having such an organization up to now it did not engage itself in this matter.

Hashemi-Rafsanjani said that although many volunteered, having a good expertise in this field was a prerequisite.

Hoj. Hashemi-Rafsanjani made these statements Tuesday in a meeting with the cadre of the information organisation of the Islamic Revolution's Guards Corps (IRGC).

Our objective in our deeds, stressed Hashemi-Rafsanjani, is to act in keeping with Islamic criteria. He further said that the idea for us in the present government and system is to train desirable human beings capable of attaining the goals of the religions, particularly those of Islam.

He said the characteristics of such an Islamic info organisation are, capable of making quick and justifable decisions and loyal so that dependable results can be obtained. Such an organization, while utilizing the cooperation of the people, must come to the right decision about the information supplied.

Concluding, Hashemi-Rafsanjani said that if we decide to form an Islamic information organization at a later period, which could bear better results, it would be more appropriate and appreciable.

DELEGATIONS TO TRAVEL TO THIRD WORLD COUNTRIES

LD270244 Tehran IRNA in English 1931 GMT 26 Jan 83

[Text] Tehran, Jan 26 IRNA -- Foreign Minister Velayati Tuesday met with heads of missions going abroad on the occasion of the ten day dawn ceremonies, heralding the anniversary of the culmination of the Islamic Revolution of Iran. Foreign Minister Ali Akbar Velayati said Iran aims at expanding relations with the Third World countries and has up-graded its representatives in Third World countries from charge d'affaires to ambassadors. He said Iran has also established embassies for the first time in some African countries.

This year six missions are to travel abroad for propounding the positions of the Islamic Republic on various issues to the Third World countries. The missions are headed by Hojjat ol-Eslam Mohammad Yazdi, Ebrahim Amini, Fazel Harandi, Hassan Rohani, Abbas Shirazi, and Jalaleddin Farsi. Each mission is accompanied by a Sunni official.

PRC FOREIGN MINISTRY ADVISER ARRIVES FOR TALKS

LD270946 Tehran IRNA in English 0908 GMT 27 Jan 83

[Text] Tehran, Jan 27, (IRNA) -- Adviser of foreign minister of the People's Republic of China, He Ying, arrived here Thursday at the head of a political delegation. During its stay in Iran, the Chinese delegation will hold talks, on the expansion of mutual relations, with Iranian officials.

He Ying was welcomed at Tehran's Mehrabad Airport by the deputy foreign minister of the Islamic Republic, Ahmad 'Azizi, and Hoseyn Lavasani, director general for Afro-Asian affairs at the Iranian Foreign Ministry.

ARMED FORCES JOINT STAFF COMMUNIQUE NO 1,195

LD261810 Tehran Domestic Service in Persian 1630 GMT 26 Jan 83

[Communique No 1,195 of the Joint Staff of the Armed Forces of the Islamic Republic of Iran]

[Text] In His exalted name. Our dear compatriots hereby are informed of the situation on the fronts of the imposed war during the past 24 hours.

Fighting continued on the country's western fronts, with exchanges of fire in the (Salman Koshteh) and (Sonbatu) regions being the most intense. Thanks to fire from Islam's mighty combatants, four light and heavy vehicles of the Saddamist mercenaries, together with several of their trenches, were set ablaze and destroyed while a number of Iraqi servicemen were killed. By dispatching patrol groups to reconnoiter enemy defensive positions, Islam's combatants inflicted losses and casualties on the enemy.

During the past 24 hours, exchanges of artillery and heavy weapons fire continued sporadically on the southern fronts. The most intense fire was in the Faqih region, with Islam's victorious compatants deploying defensive fire, continuing to strengthen their own positions.

Gendarmerie combatants and other fighting forces of Islam on the Abadan front, by opening retaliatory fire on the positions, fortifications, and communication axes of the Saddamist mercenaries, disrupted enemy supply lines on the Al-Faw-Basrah axis, destroyed on tug boat and seven light and heavy weapons emplacement and killed or wounded a number of enemy servicemen.

As in the past, the criminal Saddamist mercenaries' artillery fire again inflicted damage on Abadan.

During the past 24 hours, the selfless combatants of the Air Force and air defense units of the Armed Forces of the Islamic Republic of Iran used their fire power to deprive the Saddamist mercenaries of the ability to carry out air raids.

[Signed] The Joint Staff of the Armed Forces of the Islamic Republic of Iran

PRIME MINISTER REPORTS ON STATE OF ECONOMY

LD251650 Tehran Domestic Service in Persian 1030 GMT 25 Jan 83

[Prime Minister Musavi-Khamene'i speech at Majlis session in Tehran on 25 January -- recorded]

[Excerpts] In the name of God, the compassionate, the merciful. Greetings to the imam of the nation, leader of the revolution, who made this opportunity, independence, and freedom possible for our nation and who founded the Islamic Republic.

Before I being my report on the 1362 [year beginning 21 March 1983] budget, I believe it is necessary to make a brief report to the honorable deputies on the state of the country's economy. The impressive victories by our brave combatants on the battlefields against the puppet forces of the Iraqi Ba'thist-Zionist regime, the freeing of a major sector of the occupied territories from the contaminated presence of the infidel Saddamists and the telling blows dealt to the U.S. imperialist agents in Kordestan and West Azarbayjan in conjunction with the indefatigable efforts by our revolutionary and honorable government colleagues in all areas of our Islamic homeland have made it possible to create the necessary conditions for our operations and activities.

The government's reliance on the massive might of the mútlimillion masses of the nation and the creativity of men faithful to God and the Islamic identity of the revolution have resulted in a check in the decline in a vast sector of the country's economy. We already are witnessing signs of blossoming and growth in some sectors of the economy. The negative growth in the gross national product, which was 18.6 percent for annum in 1978-80, was checked in 1360 [2 March 1978-20 March 1981] and reversed to a positive growth amounting to 3.6 percent. It is predicted that by the end of 1361 [20 March 1983] this figure will reach 5.6 percent.

The ad valorem growth in the agricultural sector restricted to 1 percent in 1359 [21 March 1980 - 20 March 1981], was increased to 4.4 percent in 1360 [21 March 1981 20 March 1982]. The ad valorem growth in this sector in the current year is expected to reach about 4.5 percent of total 389.1 billion rials, at 1353 [21 March 1974 - 20 March 1975] prices. Considering that in the Islamic Republic of Iran's first plan, agriculture has been identified as the main axis of expansion and considering the need for self-sufficiency in the production of agricultural produce within the next 10 years, an annual rate of growth of 7 percent has been predicted during the period of the plan for this sector. Consequently, the ad valorem growth for agriculture for 1361 - 1362 has been estimated to reach 15.3 billion rials at 1353 prices.

The government's objective in the agricultural sector is identical to that of our great nation. We intend to consume our wheat bread. As for the industrial sector, despite fundamental difficulties stemming from unhealthy industrial structures and unsuitable operations of the past, as well as the severe blows dealt to this sector as a result of the imposed war and economic sanctions, it has enjoyed relative growth. During the first 6 months of the current year the government's investment for industrial development totalled 31.3 billion rials. This shows a more than 44 percent increase compared to the same period in 1360.

In 1360 the creation of large industrial workshops showed an increase of 12.1 percent. The employment index relating to employees in these workshops shows an increase of 2.8 percent for white collar workers and 3.1 percent for blue collar workers during the past year; with regard to per capita production, it shows a growth of 8.2 percent. The total revenues of 56 state-owned industrial enterprises during 1362 is expected to reach 469 billions rials. Compared to the figure stipulated in the 1361 budget, this shows an increase of 46 percent, as the figure in that budget was 321 billion rials.

Efforts by our colleagues in the government coupled with cooperation from the people who have never forgotten to economize at all levels and who have changed their consumption patterns under the Islamic Revolution's influence have resulted in checking the accelerating inflation rate. The rate of inflation in wholesale prices, which reached 24.7 percent in the first 6 months of 1360, dropped to 10.7 percent during the comparable period in 1982. As for retail prices, the rate of inflation dropped from 25.1 percent in the first 6 months of 1360 to 13.1 percent in 1361.

The government has divided the development activities under its management into two separate parts: unfinished and new works. In its development plans, the government faces two important issues. First, implementation of the development plans in the first 5-year plan is impossible in the present system. In the first plan of the Islamic Republic of Iran, it was forecast that between 700 and 800 billion tumans would be invested on development activities. No doubt, to do this would necessitate an active system, free of the present [word indistinct]. Second -- of course the general accountancy law could be a help and could prepare the ground for it, as could the organization system which will be presented to the Majlis, God willing -- the manpower utilized for development activities, which face considerable problems themselves, is about 3 million.

Government revenues, in the first 9 months of 1361, show a considerable increase compared with those of the first 9 months of 1360. The victories of the forces of Islam on the fronts of the war between right and wrong, the increase in the nation's economic activities and the setting in motion of the wheels of hard work throughout the country and the security resulting from the presence and strength of the Islamic Republic of Iran in the vital points and passages of the region have resulted in a 45 percent increase in government oil revenue, a 24 percent increase in tax revenues, and a 20 percent increase in other revenues in the first 9 months of 1361 compared with those of the first 9 months of 1360.

Concerning the problems and bottlenecks that we face together with the considerable growth of some sectors, the government has faced fundamental problems in certain areas. These include shortage of expert manpower, uncertainty in the issue of land allocation, shortages of building materials and their incorrect distribution, shortages of spare parts for building and road construction machinery, shortcomings in matters relating to foreign trade, shortage of foreign currency, unwillingness of contractors to finish projects, sabotage by foreigners in the procurement of foreign-made equipment and parts, imbalance between the organization of the executive system and all the duties of the government following the victory of the Islamic Revolution, lack of information and statistics, and lack of scientific-technological and social information systems.

Under such conditions, the government [words indistinct] the experience of planning, and in view of the following policies and priorities, the government has drawn up the budget for 1362. These policies are:

1. Oppose the tendency toward consumerism, emphasize investment, and continue thrift in all fields.

2. Regard agriculture as the main axis of development.

3. Emphasize the expansion of research and encourage inventiveness and innovation in scientific, technical, and cultural fields; guide the research programs toward projects aiming to solve economic and social problems; and put the results of research at the disposal of the people and the executive organs. The government has tried to take some steps in this direction and to proceed along these lines as much as possible.

4. Expand the related productive activities and rural and tribal industries to increase the income of the villagers and tribesmen.

5. Support the Islamic Revolution organizations.

6. Create links between different economic sectors to satisfy the mutual needs of various sectors.

7. Increase productivity and improve and protect the present capacities in the industrial, agricultural, educational, and cultural fields with our development goals in mind. One of the important areas of our economy that has received attention consists of those industries for which we will not be able to obtain in future the necessary machinery due to the special political situation of the Islamic Republic. These include the very modern industries which we possess in various fields.

8. Use the resources of the country for investment in nondependent productive projects which are based on appropriate technology and domestic human resources, with limited foreign exchange needs.

9. Pay special attention and give priority to planning for the returning of refugees of the imposed war to the liberated areas and to the areas which will be liberated; as well as to the reconstruction of the productive units and the regions that have been damaged during the war. This is to be done within the context of reconstruction programs. I must add here that we have separated the war budget from the reconstruction budget which was included in the same category in the current year's budget; it has now been allocated under separate headings.

10. Distribute investment allocations among various regions and various social groups in favor of the deprived groups, in keeping with local capabilities.

11. Try to increase the nonoil derived revenues through the mobilization of internal financial resources such as taxation, increasing the profits of profitable companies, and reducing the losses of companies operating at a loss.

12. Provide the means for the expansion of nonoil exports such as wool, dried fruits, fruits, handicrafts, and appropriate industrial and processed goods.

13. Prevent the waste of capital, labor and equipment, and resources by improving mangement, by reorganizing and improving the administration of various departments and organizations, by increasing the productivity of the labor force, and by making greater use of the existing capacity of executive organs. Again, in this connection, a new initiative has been started by the government concerning management.

14. Provide productive employment for the active and unemployed human resources of the country through the implementation of appropriate projects.

15. Support and encourage the establishment and expansion of small productive units.

16. Store the basic and necessary commodities of the country, including basic foodstuffs, the primary materials needed by the industries, and other necessary goods, and define the minimum amount of the required storage in view of foreign exchange resources; improve the related facilities such as storage, cold storage plants; provide for transportation and the logical and equitable distribution of these goods in keeping with the needs of various parts of the country. This issue must be looked into with respect to the work of the committee for the reduction of the budget. When we formed this committee -- and we had some success with the aid of all the brothers in various organizations -- in order to budget for the amount of income we receive and be able to [word indistinct] distribution among various sectors equitably, some steps were taken. [as heard] For example, the essential needs of the country for projected goods are estimated and in our planning we are faced with the problem that, God forbid, we are not cornered in our confrontation of political issues considering the regional upheavals and the plots of the superpowers.

17. Guide the financial and reserve capacities of the banks toward productive fields, in a harmonious manner through plans for economic, social, and cultural development.

18. Identify potential resources and capabilities of the country for precise planning in order to utilize them. In this connection, the greatest use has been made of local forces.

19. Endeavor to use gas instead of other fuels in development projects.

To achieve the aforementioned goals, the general priorities of the development budget of 1362 are:

1. Because the reconstruction of the war-afflicted regions enjoys a special importance in the first program [as heard], therefore, the projects related to the war-afflicted regions have priority.

2. Economic independence, elimination of dependence, is one of the most important goals of the first program of the Islamic Republic of Iran; to achieve this goal, the following priorities are regarded as necessary in drawing up projects:

A. Projects that assist the expansion of agriculture: We are gradually bringing about some changes in our industries so that in the future our industries will be in the service of agriculture.
B. Projects that produce strategic goods should be brought to a level so that they can satisfy the needs of the country in accordance with the list of essential items.
C. Projects that complete the existing production chains.
D. Projects that strengthen the links between various sectors in view of the movement of goods and services.
E. Projects that will lead to an increase in nonoil exports or that will reduce imports.
F. Projects that, commensurate with their importance and size, require less foreign exchange.

3. The establishment and implementation of social justice is avery important goal in the first program of the Islamic Republic. In achieving this goal, the following priorities should be observed:

A. Projects that speed up the development of deprived regions.
B. Projects that will lead to the reduction of the gap in incomes between various groups, through increasing the income of the formerly oppressed strata, especially the villagers and tribesmen.

4. Increasing the defensive capability of the country is one of the essential goals of the first program of the Islamic Republic. Therefore, the projects that increase the defensive capability of the country and help to protect the boundaries of the Islamic Republic of Iran have special priority.

5. Since the proper and speedy utilization of existing capabilities with less cost can render an effective assistance to economic development and expansion, the following priorities are recommended: projects that assist the greater utilization of potential capabilities, especially of human resources and machinery and projects that have a direct effect upon providing the needed human resources in the short term.

The priorities of the projects which are currently being implemented are:

1. Projects the goals of which are more in keeping with the goals of the 5-year plan.
2. Projects the implementation of which has largely been completed.
3. Projects that have a more direct and more positive effect upon the projects planned for 1362.
4. Projects the delay of which would require vast investments for their reactivization.

One of the special features of the 1362 budget bill is the relative size of the current and development allocations.

In the year 1361 the development allocations constituted 43 percent of the budget; while in the budget of the year 1362 this has changed and the development allocations are 54 percent. This would mean that with a smaller current budget greater development activities would be carried out.

The financial situation in the year 1361:

It appears that in the year 1361 government income would reach 2,296 billion rials and government expenditure would be 3,295 billion rials. As a result, the difference between government income and expenditure would be 998.6 billion rials; 566.4 billion rials will be provided through borrowing from the banking system. According to existing forecasts, government income from the export of oil until the end of the year 1361 will be 1,464 billion rials; income from taxes would be 605.7 billion rials while income from other sources would be 226.3 billion rials. The current expenditure of the government would exceed 1,900 billion rials, with fixed investment around 850 billion rials and the expenses due to the imposed war would be about 545 billion rials.

The general framework of the budget of 1362:

In the budget of 1362, the amount of 2,342 billion rials has been allocated for current activities and war expenditure, and 1,264 billion rials for the reconstruction activities in the war-afflicted regions. In this way, total government expenditure in the year 1362 will be 3,606 billion rials; which would be about 411.1 billion rials [as heard] more than the expenditure in 1361.

In 1362, government income from oil exports would be about 1,833 billion rials; from taxes, 712 billion rials; and from other sources, about 385.5 billion rials. In this way, total government income in 1362 would be 2,930 billion rials or about 373.9 billion rials more than the income in 1361. In 1362, the income of government companies would be 2,182 billion rials and their expenditure would be 2,051 billion rials. Total expenditure compared to all the expected income will result in 676.4 billion rials of deficit. It is expected that 160 billion rials will be made up through unused allocations from previous years; 250 billion rials through economizing in the budget (?of the year 1362). In this way, the budget deficit in 1362 would be altogether 264.6 billion rials which, compared to the projected deficit of the year 1361 of 567 billion rials, shows a reduction of 302.4 billion rials. [all figures as heard].

## 90 'HYPOCRITE' MEMBERS ARRESTED IN ESFAHAN

GF221724 Esfahan Domestic Service in Persian 1530 GMT 20 Jan 83

[Excerpts] The Islamic revolution guards of Esfahan announced that once more by the mercy of God, and His blessing upon the martyr-nourishing Esfahan, the organization of anti-God hypocrites was the object of God's disfavor. The brother guards in cooperation with the 36-million-strong intelligence network have dealt heavy blows on these hypocrites whose devilish intentions were to a annihilate [word indistinct], a number of brother guards and hezbollahis.

This purging operation was named the Ayatollah Ashrafi Esfahani operation in memory of the fourth martyr. During this operation, 8 corrupt dens were discovered by brother guards and 90 members of the hypocrite organizational forces were arrested. Fighting occurred in capturing one of the dens and three people, who had been in charge of it, were killed.

In this operation, a large quantity of interorganizational documents and weapons consisting of 1 MP-40 [as heard] machinegun, 1 MP machinegun, 2 Kalashnikov rifles, a Colt 45, a Llama 38 calibre revolver, [word indistinct] grenade, 7 [words indistinct], and 300 rounds of cartridges were captured by brother guards.

The names of some of those arrested and killed are:

1. Mohammad 'Ali Mir, alias (Jalal va Daoud), head of the Esfahan hypocrite organization, who had previously been in charge of the information operation of the Zahedan organization, responsible for social affairs of the Kerman organization.
2. (Bibi Bozorgh) Jahanbakhsh, alias Mansurah va Afsaneh, who was responsible for social affairs of the Esfahan organization, was killed.
3. Manuchehr Qanbari, alias (Esma'ail) va Kamal va Qadir, who was responsible for liaison work of the Esfahan organization, was killed.
4. Mariam Salavati, alias Mehri va (Alaheh), who was in charge of security for the communal house and liaison work and had previously been responsible for teachers in the Kerman organization, was killed.
5 Sasan Yar Ahmadi, alias Sasan, one of those in charge of the operation of the Esfahan organization, who had previously been responsible for the cities of Malayer, Durud, and Nehavand and responsible for liaison work [word indistinct] in Esfahan, Hamadan, and Markaz.
6. Ahmad Mir Hadi, alias Mehdi, second in command of the operation in Esfahan and who was responsible for the unsuccessful terrorist bombing of Moshtaq Avenue.
7. Mas'ud Qanbari, alias Hamed, [words indistinct].
8. Mohammad (Biki), alias 'Ali Reza va Nader, a member of the military team and the murderer of the Martyr Ahmad Kamal.
9. (Quemarse) Khaki, alias Ardashir, a member of the military team.
10. Habib Shahraki, an accomplice of Ebrahimzadeh in the martyring of Ayatollah Sadduqi.
11. Hamid (Goldoust), alias Maziyar, responsible for labor group of the Esfahan organization.
12. Hushang (Jamas), responsible for the steel furnace factory.
13. Sayyed Keyhani, responsible for the refinery plant.
14. Mohamad Amin Tuhidi, alias Mahmud, responsible for publications in the province.
15. Gholam 'Ali Azadi, alias Ahmad va Hashem, in charge of couriers in Esfahan and Markaz.
16. Mehdi Bayate Sarmadi, alias Qobad, second in command of the courier operation.
17. (Torabe Haidari), alias Amir, in charge of the Kerman organization.
18. Schrab, responsible for liaison work of the Yazd organization.
19. (Tahiyeh) Khosrovi, alias 'Atefeh, second in command of social affairs of the Esfahan organization.
20. Fariba Khosrovi, alias Ferasheteh.
21. (Safieh) Okhovat, alias Zahra.